Private2Public

Product Management in the Public Sector

By Phillip J. Windley, Ph.D.

The private sector has long used a discipline called product management to develop software products and Internet services. Transferring this discipline to the public sector will provide government at all levels with substantial benefits in developing e-products and services.

Product development is the process of designing, building, operating and maintaining a good or service. Software and Internet companies use this process to ensure that they are not just manufacturing a technology, but creating a product that people will want to buy and continue to use – a product that will produce a return on investment. To be sure, a base technology is at the heart of the product, but product development ensures that the customer's voice is not lost in the rush to an exciting technology. Product development adds things like pricing, marketing and customer support to the technology to create a complete product.

A multi-disciplinary team whose goal is building, operating and maintaining the product performs product development. Team members may include product managers, software developers, project managers, product operations engineers, customer support managers, software quality assurance engineers, user interface design engineers, marketers, financial personnel and graphic artists.

The product manager serves as the leader of this cross-functional team. While not necessarily functioning as the report-to manager for these people, the product manager does lead, coordinate and supervise their work toward the end goal of making the product a reality, launching it, operating it and managing it throughout its life cycle.

Defining the Product

Product development as a discipline is about what the product should be. Product managers are advocates for the customer's needs and desires. A large product might have numerous product managers working toward its success at a variety of levels, all the way from the junior product manager writing specifications about single feature sets to a product strategy director who has overall responsibility to executive management for the product direction.

A product manager's responsibilities include:

- Defining and planning product lines and product enhancements,
- Managing product contracts and sales,
- Setting strategic direction based on customer needs and business goals,
- Translating strategic goals into operational tasks,
- Making proposals to senior management regarding the implications of proposed plans,
- Serving as a representative to internal and external clients,
- Taking the lead in establishing tactical plans and objectives,
- Developing and implementing administrative and operational processes to ensure achievement of objectives,
- Evaluating risks and trade-offs,
- Proposing contingency plans,
- Analyzing business processes and creating applications to improve or support those processes,
- Branding,
- Working with graphic designers to create look and feel,
- Defining navigational flow and user experience, and
- Defining feature sets and scoping releases.

What a Product Manager Is Not

People not familiar with the discipline of product management frequently get a product manager confused with other players. A product manager is not:

A developer – Developers are focused on the technology and not the overall product. Some great product managers are former developers, but it's difficult to be both at once. There is a natural tension between developers and product managers that helps create a balanced product.

A software manager – The software manager is a functional manager and usually not focused on the product or the customers.

A project manager – Project managers are about how and when, while the product manager is about what. Project managers work closely with product managers to ensure successful completion of different phases in the product life cycle.

A marketer – While product management is usually seen as a marketing discipline,

marketers are focused on the marketing plan and are usually not driving the overall product direction.

Product managers are accountable to executive management for overall product direction, key decisions, product budget (and sometimes even the complete product financial returns), ensuring that the final product meets specifications, and evangelizing the product to internal and external stakeholders. Product managers also have accountability to users for feature sets, navigation, quality and overall experience.

Applying This Discipline in Utah

As Utah has begun to pursue aggressively the use of the Internet to deliver state services online, we have started to employ product managers in the development of our online channel. We recently hired a Director of Product Strategy for utah.gov, Kristen Knight, who comes to the public sector with considerable private sector experience in product management for large software and Internet products.

Knight has two key responsibilities. First, she directs a team of people developing a framework for the State's online delivery. This framework provides core functions (such as single sign-on, authentication, workflow management, forms processing and payment technologies) to agencies developing

utah dot gov

online services.

As part of this effort, we've asked each agency to identify a product manager to coordinate their online initiatives. A product management council coordinates online product development across agencies and serves as a training ground for injecting processes and ideas from the discipline of product management. The second responsibility of the product strategy director is to lead this council and serve as an advisor to agencies in their efforts to develop their online channel. In this capacity, Knight builds product management skills as a core competency within each agency.

The agency product managers (larger agencies have more then one) are responsible for participating on the product management council and developing product roadmaps within their agency that are consistent with the Governor's goals for moving the state toward a comprehensive array of e-government services.

Individual agency heads will decide whether agency product managers are responsible for budgeting on particular projects, but each project will be ranked based, in part, on return-on-investment considerations. Product managers will play an important role in developing and coordinating those ROI calculations.

Just as the discipline of product management is used by the private sector to create software products and Internet services, it can be applied by governments to develop e-products and services for citizens, businesses and other governments. We are already putting product management to work in Utah, and it can be applied in other jurisdictions as well. **X**

Phil Windley

"The road to better services may not be through technology alone."

Dr. Phillip J. Windley is chief information officer for the State of Utah. Before joining Governor Michael Leavitt's team in March 2001, he was vice president of Product Development and Operations at Excite@Home.